

STATE OF SOUTH CAROLINA**(Caption of Case)****Application of Piedmont Natural Gas Company, Inc.
for Approval of GCRM-122****BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA****COVER SHEET****DOCKET****NUMBER: 2006 - 401 - G****(Please type or print)****Submitted by: Scott Tyler****SC Bar Number: 12037****Address: Moore & Van Allen****Telephone: 704-331-2463****100 N. Tryon Street, Suite 4700****Fax: 704-378-1963****Charlotte, NC 28202-4003****Other: _____****Email: scotttyler@mvalaw.com**

NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)☐ **Emergency Relief demanded in petition** ☐ **Request for item to be placed on Commission's Agenda expeditiously**☒ **Other: Application for Approval of GCRM-122**

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)		
<input type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input type="checkbox"/> Letter	<input type="checkbox"/> Request
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certificatio
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigation
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement
<input type="checkbox"/> Electric/Water/Telecom.	<input checked="" type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter
<input checked="" type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition
<input type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input type="checkbox"/> Other:
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest	
<input type="checkbox"/> Other:	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit	
	<input type="checkbox"/> Late-Filed Exhibit	<input type="checkbox"/> Report	

March 17, 2008

VIA ELECTRONIC FILING

Mr. Charles Terreni
Chief Clerk Administrator
The Public Service Commission of South Carolina
Synergy Business Park
101 Executive Center Drive
Columbia, South Carolina 29210

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Also Admitted in SC

Re: GCRM-122, Docket No. 2006-401-G

Dear Mr. Terreni:

On behalf of Piedmont Natural Gas Company, Inc. ("Piedmont"), I have enclosed various schedules constituting Piedmont's GCRM-122.

The rate changes reflected in this filing, as shown on the attached schedules, are necessary to update Piedmont's rates to reflect changes in Piedmont's wholesale costs of gas. Wholesale futures contract prices for natural gas deliveries for the remainder of 2008, as reflected on the New York Mercantile Exchange, are currently at levels above \$10.00 per dekatherm. These prices are substantially in excess of the \$8.50 per dekatherm commodity cost currently reflected in Piedmont's rates. Based on this differential, Piedmont is at substantial risk of a serious undercollection of its wholesale gas costs in the near future if the benchmark cost of gas reflected in its rates is not increased to \$10.00 per dekatherm as proposed herein. The relief requested herein will avoid such undercollection and will also ensure that the wholesale gas costs reflected in Piedmont's rates are reasonably consistent with the prevailing market price for natural gas, thereby avoiding the creation of artificial market signals/incentives to parties who utilize this commodity for fuel or process purposes. The rate change proposed herein is an increase of \$0.15324/therm for sales rate schedules (201, 202, 221, 232, 242, 252, 262, 203 and 204) and an increase of \$0.00324/therm for transportation rate schedules (213 and 214). Piedmont hereby requests approval of this GCRM filing in time to implement these rate changes effective April 1, 2008.

If you have any questions regarding this matter, you may reach me at the number shown above.

Sincerely,

Moore & Van Allen, PLLC

s/ Scott M. Tyler
Scott M. Tyler

Enclosures

c: Mr. David Carpenter
Mr. Jim Jeffries
Office of Regulatory Staff (via email and 5 copies via overnight delivery)

SOUTH CAROLINA RATES AND CHARGES

Residential

Residential Service - Value Rate 201

Monthly Charge -		Rate Per Therm -	
November - March	\$ 10.00	November - March	\$ 1.45874
April - October	\$ 8.00	April - October	\$ 1.41029

Residential Service - Standard Rate 221

Monthly Charge -		Rate Per Therm -	
November - March	\$ 10.00	November - March	\$ 1.65260
April - October	\$ 8.00	April - October	\$ 1.64679

Outdoor Gaslight Service - Rate 205

Monthly Charge -	\$ 15.00
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SOUTH CAROLINA RATES AND CHARGES

Commercial

Small General Service - Standard Rate 202

Monthly Charge -	\$ 22.00	Rate Per Therm -	
		November - March	\$ 1.55572
		April - October	\$ 1.52068

Small General Service - Value Rate 232

Monthly Charge -	\$ 22.00	Rate Per Therm -		
		November - March	First 2,000	\$ 1.49716
			Over 2,000	\$ 1.46760
		April - October	First 2,000	\$ 1.40080
			Over 2,000	\$ 1.37377

Medium General Service - Standard Rate 252

Monthly Charge -	\$ 75.00	Rate Per Therm -	
		November - March	\$ 1.54499
		April - October	\$ 1.49540

Medium General Service - Value Rate 262

Monthly Charge -	\$ 75.00	Rate Per Therm -		
		November - March	First 5,000	\$ 1.46657
			Over 5,000	\$ 1.43162
		April - October	First 5,000	\$ 1.37173
			Over 5,000	\$ 1.34709

Small General Service - Motor Fuel Rate 242

Monthly Charge -	\$ 22.00	Rate Per Therm -	
		November - March	\$ 1.24173
		April - October	\$ 1.24912

SOUTH CAROLINA RATES AND CHARGES

Industrial

Large General Sales Service - Rate 203

Monthly Charge -		\$	250.00
Demand Charge (monthly per peak day therm usage) -		\$	1.90000
Rate Per Therm -			
	<u>November - March</u>		<u>April - October</u>
First 15,000	\$ 1.28003	First 15,000	\$ 1.19240
Next 15,000	\$ 1.21048	Next 15,000	\$ 1.14397
Next 75,000	\$ 1.16267	Next 75,000	\$ 1.12631
Next 165,000	\$ 1.10549	Next 165,000	\$ 1.08692
Next 330,000	\$ 1.05017	Next 330,000	\$ 1.04517
Over 600,000	\$ 1.02160	Over 600,000	\$ 1.02160

Interruptible Sales Service - Rate 204

Monthly Charge -		\$	250.00
Rate Per Therm -			
	<u>November - March</u>		<u>April - October</u>
First 15,000	\$ 1.34301	First 15,000	\$ 1.20402
Next 15,000	\$ 1.27477	Next 15,000	\$ 1.15612
Next 75,000	\$ 1.23070	Next 75,000	\$ 1.12742
Next 165,000	\$ 1.15854	Next 165,000	\$ 1.09683
Next 330,000	\$ 1.14861	Next 330,000	\$ 1.06017
Over 600,000	\$ 1.06160	Over 600,000	\$ 1.03160

Large General Transportation Service - Rate 213

Monthly Charge -		\$	250.00
Demand Charge (monthly per peak day therm usage) -		\$	0.60000
Standby Sales Service Charge (monthly per peak day therm usage) -		\$	1.30000
Rate Per Therm -			
	<u>November - March</u>		<u>April - October</u>
First 15,000	\$ 0.25953	First 15,000	\$ 0.18698
Next 15,000	\$ 0.19327	Next 15,000	\$ 0.13911
Next 75,000	\$ 0.14630	Next 75,000	\$ 0.11099
Next 165,000	\$ 0.10549	Next 165,000	\$ 0.08416
Next 330,000	\$ 0.05017	Next 330,000	\$ 0.04517
Over 600,000	\$ 0.02160	Over 600,000	\$ 0.02160

Interruptible Transportation Service - Rate 214

Monthly Charge -		\$	250.00
Rate Per Therm -			
	<u>November - March</u>		<u>April - October</u>
First 15,000	\$ 0.25940	First 15,000	\$ 0.18663
Next 15,000	\$ 0.19308	Next 15,000	\$ 0.13856
Next 75,000	\$ 0.14540	Next 75,000	\$ 0.10921
Next 165,000	\$ 0.09771	Next 165,000	\$ 0.07964
Next 330,000	\$ 0.05064	Next 330,000	\$ 0.06552
Over 600,000	\$ 0.02160	Over 600,000	\$ 0.02160

SOUTH CAROLINA RATES AND CHARGES

Miscellaneous Fees And Charges

Schedule For Limiting And Curtailing Service - Rate 206

Emergency Service Rate Per Therm	\$ 1.00	In addition to commodity prices as defined in Rate Schedule 206, Rate For Emergency Service.
Unauthorized Over Run Penalty Per Therm	\$ 2.50	In addition to commodity prices as defined in Rate Schedule 206, Rate For Emergency Service.

Reconnect Fees

February Through August	\$ 40.00
September Through January	\$ 60.00

Returned Check Charge

Returned Check Charge	\$ 25.00
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Issued by Tom Skains, CEO & President
Issued to comply with the authority granted by
The Public Service Commission of South Carolina
Docket 2006-401-G

Issued: March 17, 2008
Effective: April 1, 2008

Piedmont Natural Gas Company, Inc.
South Carolina
Rate Schedules
GCRM - 122 Docket No. 2006-401-G

		11/1/2007 Annual RSA <u>Rates</u>	<u>Change</u>	4/1/2008 GCRM-122 <u>Rates</u>
221	Residential Service - Standard			
	Facilities Charge-winter	10.00		10.00
	Facilities Charge-summer	8.00		8.00
	Winter (Nov.-Mar.)	1.49936	0.15324	1.65260
	Summer (Apr.-Oct.)	1.49355	0.15324	1.64679
201	Residential Service - Value			
	Facilities Charge-winter	10.00		10.00
	Facilities Charge-summer	8.00		8.00
	Winter (Nov.-Mar.)	1.30550	0.15324	1.45874
	Summer (Apr.-Oct.)	1.25705	0.15324	1.41029
202	Small General Service-Standard			
	Facilities Charge	22.00		22.00
	Winter (Nov.-Mar.)	1.40248	0.15324	1.55572
	Summer (Apr.-Oct.)	1.36744	0.15324	1.52068
232	Small General Service-Value			
	Facilities Charge	22.00		22.00
	Winter (Nov.-Mar.)			
	First 2,000	1.34392	0.15324	1.49716
	Over 2,000	1.31436	0.15324	1.46760
	Summer (Apr.-Oct.)			
	First 2,000	1.24756	0.15324	1.40080
	Over 2,000	1.22053	0.15324	1.37377
252	Medium General Service-Standard			
	Facilities Charge	75.00		75.00
	Winter (Nov.-Mar.)	1.39175	0.15324	1.54499
	Summer (Apr.-Oct.)	1.34216	0.15324	1.49540
262	Medium General Service-Value			
	Facilities Charge	75.00		75.00
	Winter (Nov.-Mar.)			
	First 5,000	1.31333	0.15324	1.46657
	Over 5,000	1.27838	0.15324	1.43162
	Summer (Apr.-Oct.)			
	First 5,000	1.21849	0.15324	1.37173
	Over 5,000	1.19385	0.15324	1.34709
242	Small General Service-Motor Fuel			
	Facilities Charge	22.00		22.00
	Winter (Nov.-Mar.)	1.08849	0.15324	1.24173
	Summer (Apr.-Oct.)	1.09588	0.15324	1.24912

Piedmont Natural Gas Company, Inc.
South Carolina
Rate Schedules
GCRM - 122 Docket No. 2006-401-G

		11/1/2007 Annual RSA		4/1/2008 GCRM-122
		<u>Rates</u>	<u>Change</u>	<u>Rates</u>
203	Large General Sales Service			
	Facilities Charge	250.00		250.00
	Billing Demand	1.90000		1.90000
	Winter (Nov.-Mar.)			
	First 15,000	1.12679	0.15324	1.28003
	Next 15,000	1.05724	0.15324	1.21048
	Next 75,000	1.00943	0.15324	1.16267
	Next 165,000	0.95225	0.15324	1.10549
	Next 330,000	0.89693	0.15324	1.05017
	Over 600,000	0.86836	0.15324	1.02160
	Summer (Apr.-Oct.)			
	First 15,000	1.03916	0.15324	1.19240
	Next 15,000	0.99073	0.15324	1.14397
	Next 75,000	0.97307	0.15324	1.12631
	Next 165,000	0.93368	0.15324	1.08692
	Next 330,000	0.89193	0.15324	1.04517
	Over 600,000	0.86836	0.15324	1.02160
204	Interruptible Sales Service			
	Facilities Charge	250.00		250.00
	Winter (Nov.-Mar.)			
	First 15,000	1.18977	0.15324	1.34301
	Next 15,000	1.12153	0.15324	1.27477
	Next 75,000	1.07746	0.15324	1.23070
	Next 165,000	1.00530	0.15324	1.15854
	Next 330,000	0.99537	0.15324	1.14861
	Over 600,000	0.90836	0.15324	1.06160
	Summer (Apr.-Oct.)			
	First 15,000	1.05078	0.15324	1.20402
	Next 15,000	1.00288	0.15324	1.15612
	Next 75,000	0.97418	0.15324	1.12742
	Next 165,000	0.94359	0.15324	1.09683
	Next 330,000	0.90693	0.15324	1.06017
	Over 600,000	0.87836	0.15324	1.03160

Piedmont Natural Gas Company, Inc.
South Carolina
Rate Schedules
GCRM - 122 Docket No. 2006-401-G

		11/1/2007 Annual RSA <u>Rates</u>	<u>Change</u>	4/1/2008 GCRM-122 <u>Rates</u>
213	Large General Transportation Service			
	Facilities Charge	250.00		250.00
	Standby Demand	1.30000		1.30000
	Billing Demand	0.60000		0.60000
	Winter (Nov.-Mar.)			
	First 15,000	0.25629	0.00324	0.25953
	Next 15,000	0.19003	0.00324	0.19327
	Next 75,000	0.14306	0.00324	0.14630
	Next 165,000	0.10225	0.00324	0.10549
	Next 330,000	0.04693	0.00324	0.05017
	Over 600,000	0.01836	0.00324	0.02160
	Summer (Apr.-Oct.)			
	First 15,000	0.18374	0.00324	0.18698
	Next 15,000	0.13587	0.00324	0.13911
	Next 75,000	0.10775	0.00324	0.11099
	Next 165,000	0.08092	0.00324	0.08416
	Next 330,000	0.04193	0.00324	0.04517
	Over 600,000	0.01836	0.00324	0.02160
214	Interruptible Transportation Service			
	Facilities Charge	250.00		250.00
	Winter (Nov.-Mar.)			
	First 15,000	0.25616	0.00324	0.25940
	Next 15,000	0.18984	0.00324	0.19308
	Next 75,000	0.14216	0.00324	0.14540
	Next 165,000	0.09447	0.00324	0.09771
	Next 330,000	0.04740	0.00324	0.05064
	Over 600,000	0.01836	0.00324	0.02160
	Summer (Apr.-Oct.)			
	First 15,000	0.18339	0.00324	0.18663
	Next 15,000	0.13532	0.00324	0.13856
	Next 75,000	0.10597	0.00324	0.10921
	Next 165,000	0.07640	0.00324	0.07964
	Next 330,000	0.06228	0.00324	0.06552
	Over 600,000	0.01836	0.00324	0.02160

Piedmont Natural Gas Company
South Carolina
Commodity Cost of Gas Calculation
GCRM-122 Docket No. 2006-401-G

	Docket 2005-125-G <u>DT's</u>	Increase (Decrease) <u>in Rate</u>	<u>Total</u>
Sales	14,621,772	\$ 1.50	\$ 21,932,657
Transportation	5,788,888		
Total Throughput	20,410,660		
LAUF %	2.16%		
Company Use & Lost And Unacct For	440,870	\$ 1.50	\$ 661,305
Total Throughput			20,410,660
Calculated Rate - LAUF			\$ 0.0324
Sales Commodity Rate Adjustment(by DT)			\$ 1.5324
Transportation Commodity Rate Adjustment(by DT)			\$ 0.0324
Effective Benchmark			\$ 10.00